## Capacity to Serve

Setting San Francisco's Social Services Nonprofits Up For Success

2024-25 San Francisco Civil Grand Jury Report

## Motivation: social services nonprofit grants are massive, important, and noteworthy

- More than a billion dollars per year in grants (7% of the city budget, growing over time)
- Grantee organizations serve vulnerable residents
  (unhoused, struggling with mental illness, young children)
- Steady stream of reporting on mismanagement incidents

## The Jury found that the city...

- Does not effectively address shortfalls in nonprofit management capacity (F1)
- Has an overcomplicated procurement process that delays grants and makes good management harder (F2)
- Does not equip city staff to navigate procurement (F3)
- Takes too long to convert monitoring findings into corrective action (F4)

## Spotlight on process complexity

- Standard city procurement requires many bidding,
  evaluation, and review steps that are often inappropriate
  for social services grants
- Several recent ordinances create exceptions to the process for particularly urgent classes of grants
- But this makes the process more complex and harder for everyone to understand and navigate!
- Needs more comprehensive rethinking